

Department of Justice Seeks Civil Penalties From Operators of Middletown Pawn Shop for Racketeering

In a complaint filed September 1, 2017 in Superior Court, Department of Justice attorneys alleged that a Middletown pawn shop engaged in selling stolen goods constituted a criminal enterprise under the state's racketeering statute and should pay penalties of up to \$6.5 million.

The action stems from the illegal practices of the Gold Fever Pawn Shop on Broad Street in Middletown. The State alleges Shaun Reilly, 36, his wife Kisha Reilly, and his mother, Denise Toy, 63, all of New Castle, knowingly enlisted shoplifters to steal items from area retailers, and stored the items in a trailer at Toy's home. The stolen items were eventually sold at the Gold Fever Pawn Shop, with Toy and the Reillys paying shoplifters approximately one-third of the sale price. Also named as defendants in the complaint are Gold Fever, LLC and Gold Fever Finance, LLC.

The complaint contends the pawn shop and its operators constituted an enterprise that operated in violation of the Delaware Organized Crime and Racketeering Act, 11 Del. C. Ch. 15 ("the State R.I.C.O. statute").

The complaint covers 10 counts:

- Receiving Stolen Property
- Failure to Collect or Pay Over Tax
- Wire Fraud
- Mail Fraud
- Four Counts of Organized Crime and Racketeering
- Possession of a Firearm During the Commission of a

Felony by Shaun Reilly

- Possession of a Firearm by a Person Prohibited by Kisha Reilly

The State is seeking an amount not less than \$6,400,000 in civil penalties, an amount based on \$100,000 for each of the 64 violations or incidents of activity constituting a violation of the State R.I.C.O. statute described in the complaint. The State also asked for an additional \$100,000 from Shaun Reilly for his violation of Possession of a Firearm During the Commission of a Felony, and \$100,000 from Kisha Reilly for her violation of Possession of a Firearm by a Person Prohibited.

The Reillys and Toy were arrested in August 2016 as part of "Operation Golden Eye," a multijurisdictional investigation by Delaware Department of Justice, Delaware State Police, United States Postal Service, and the Middletown Police Department. The original news release on Operation Golden Eye can be found [here](#).

In February 2017, Toy pled guilty to Providing a Firearm to a Person Prohibited, Conspiracy Third Degree, and Theft (Organized Retail Crime) and was immediately sentenced by a Superior Court judge to 6 months in prison, followed by one year of probation.

In April 2017, Shaun Reilly pled guilty to Racketeering, Conspiracy to Commit Racketeering, and Possession of a Firearm During the Commission of a Felony, and was immediately sentenced by a Superior Court judge to 9 years in prison, followed by 18 months of probation.

In April 2017, Kisha Reilly pled guilty to Criminal Solicitation in the Second Degree, Felony Theft (Organized Retail Crime), and two counts of Possession of a Firearm by a Person Prohibited. In August 2017, a Superior Court judge sentenced Reilly, banned from having a gun because of a prior

drug conviction, to 6 months of home confinement followed by 18 months of probation.

Deputy Attorneys General Oliver Cleary and Angeline Kogut are leading the racketeering case for the Department of Justice. The complaint filed in court can be seen [here](#).